

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 01319 141848Z

66

ACTION EUR-12

INFO OCT-01 ARA-06 EA-06 NEA-09 IO-10 ISO-00 AGR-05

CIAE-00 COME-00 EB-07 INR-07 LAB-04 NSAE-00 SP-02

STR-01 TRSE-00 CIEP-01 FRB-03 OMB-01 L-02 PA-01 PRS-01

USIA-06 AID-05 CEA-01 SIL-01 SAM-01 /093 W

----- 039055

R 141755Z FEB 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 8296

INFO ALL EC CAPITALS 353

AMEMBASSY BRASILIA

AMEMBASSY BELGRADE

AMEMBASSY ISLAMABAD

AMEMBASSY KUALA LUMPUR

AMEMBASSY NEW DELHI

AMEMBASSY SEOUL

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

AMCONSUL HONG KONG

USMISSION GENEVA

LIMITED OFFICIAL USE EC BRUSSELS 1319

E.O. 11652: N/A

TAGS: EFIN, EEC

SUBJECT: EC TEXTILE NEGOTIATIONS

REF.: A. EC BRUSSELS 504 (NOTAL) B. EC BRUSSELS 8050 (NOTAL)

1. SUMMARY: THE EC COUNCIL HAS APPROVED MANDATES FOR
THE EC COMMISSION TO BEGIN BILATERAL TEXTILE NEGOTIATIONS
WITH KOREA AND HONG KONG, AND TO ESTABLISH A UNILATERAL
RESTRAINT PROGRAM WITH TAIWAN. COUNCIL APPROVAL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 01319 141848Z

IS EXPECTED SOON FOR BILATERAL NEGOTIATIONS WITH

SEVERAL OTHER COUNTRIES. THE EC HOPES TO FINALIZE AGREEMENTS WITH PAKISTAN AND INDIA SHORTLY. THE EC WILL NOT MAKE THE MARCH 31 DEADLINE FOR COMPLETION OF ALL ITS PRINCIPAL BILATERAL NEGOTIATIONS BUT IT EXPECTS TO HAVE SOME COMPLETED AND THE BULK OF ITS NEGOTIATIONS UNDERWAY BY THAT DATE. END SUMMARY.

2. THE EC COUNCIL OF FOREIGN MINISTERS APPROVED ON FEBRUARY 10 A MANDATE FOR THE EC TO BEGIN BILATERAL NEGOTIATIONS WITH HONG KONG AND KOREA UNDER THE MULTILATERAL FIBERS AGREEMENT (MFA). THE COUNCIL ALSO AUTHORIZED THE COMMISSION TO DRAW UP A UNILATERAL RESTRAINT PROGRAM WHICH WILL CONSIST OF QUOTAS ON TEXTILE IMPORTS WITH THE REPUBLIC OF CHINA. NO DATE HAS YET BEEN SET TO BEGIN NEGOTIATIONS BUT EC COMMISSION OFFICIALS ARE HOPEFUL THAT NEGOTIATIONS CAN BEGIN IN BRUSSELS BEFORE THE END OF FEBRUARY.

3. COMMISSION OFFICIALS DESCRIBE NEGOTIATIONS WITH INDIA AND PAKISTAN AS BEING IN AN "ADVANCED STAGE". DRAFT AGREEMENTS HAVE BEEN DRAWN UP AND THERE ARE ONLY ONE OR TWO ISSUES TO BE SETTLED IN EACH CASE. BECAUSE OF SCHEDULING PROBLEMS, NO DATE HAS YET BEEN FIXED FOR ADDITIONAL NEGOTIATING ROUNDS. AT THIS POINT COMMISSION OFFICIALS EXPECT ONE BRIEF AND FINAL ROUND WITH INDIA BEFORE THE END OF THIS MONTH. IT MAY ALSO BE NECESSARY TO HAVE ANOTHER NEGOTIATING SESSION WITH PAKISTAN.

4. THE COMMUNITY'S WORKING GROUP ON MFA NEGOTIATIONS HAS NEARLY COMPLETED ITS PREPARATIONS FOR NEGOTIATIONS WITH MALAYSIA, SINGAPORE, MACAO, YUGOSLAVIA AND BRAZIL. THE COMMISSION EXPECTS TO ASK THE EC COUNCIL FOR A MANDATE TO BEGIN BILATERAL NEGOTIATIONS WITH THESE COUNTRIES ABOUT THE END OF FEBRUARY. (THE COMMUNITY'S TEXTILE AGREEMENT WITH YUGOSLAVIA EXPIRED AT THE END OF LAST YEAR.) THERE ARE SEVERAL OTHER COUNTRIES IN LATIN AMERICA AND EAST ASIA WITH WHICH THE EC IS CONSIDERING UNDERTAKING NEGOTIATIONS, BUT THE EC AT THIS TIME IS NOT GIVING PRIORITY TO THESE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 01319 141848Z

POSSIBLE ADDITIONAL BILATERAL NEGOTIATIONS.

5. NEGOTIATIONS WITH JAPAN RAISE A SPECIAL POLITICAL PROBLEM FOR THE COMMUNITY BECAUSE THE EC ENJOYS A LARGE SURPLUS IN ITS BILATERAL TRADE BALANCE WITH JAPAN IN TEXTILE PRODUCTS. THE EC IS CONSEQUENTLY BREAKING NEW GROUND IN ITS ONGOING DISCUSSIONS WITH THE GOJ. AND EC-JAPANESE TEXTILE AGREEMENT WOULD

LIKELY INVOLVE EC SELF-RESTRAINTS IN ITS TEXTILE EXPORTS TO JAPAN. HOWEVER, BECAUSE OF SUBSTANTIAL JAPANESE SHIPMENTS INTO THE COMMUNITY IN SOME PRODUCT AREAS, SOME EUROPEAN TEXTILE INTERESTS ARE, NEVERTHELESS, PRESSING FOR A BILATERAL AGREEMENT TO RESTRAIN JAPANESE IMPORTS. THE EC IS IN CLOSE CONTACT WITH THE JAPANESE ON THIS MATTER BUT NO DECISION HAS YET BEEN REACHED ON THE FORM OR CONTENT OF A POSSIBLE AGREEMENT.

6. COMMISSION OFFICIALS EXPECT TO HAVE THE PRINCIPAL EC BILATERAL MFA NEGOTIATIONS UNDERWAY BY MARCH 31 DEADLINE. IT EXPECTS BY THAT TIME TO HAVE COMPLETED THE AGREEMENTS WITH PAKISTAN AND INDIA.

7. THE EC CANNOT REALISTICALLY HOPE TO CONCLUDE TEXTILE NEGOTIATIONS WITH ALL MAJOR SUPPLIERS BY MARCH 31. THE COMMISSION IS CONSIDERING A PROGRAM FOR TEXTILE IMPORTS WHICH COULD BE ANNOUNCED BY MARCH 31. THIS PROGRAM EVIDENTLY WOULD INCLUDE UNILATERAL RESTRAINTS ON IMPORTS FROM COUNTRIES WITH WHICH AGREEMENTS HAD NOT BEEN SIGNED. THESE UNILATERAL RESTRAINTS WOULD BE SUBJECT TO REPLACEMENT BY BILATERAL AGREEMENTS AS THE LATTER ARE CONCLUDED. GREENWALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, NEGOTIATIONS, FOREIGN MINISTERS MEETINGS, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ECBRU01319
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750055-0259
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750243/aaaabmak.tel
Line Count: 141
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: USSELS 8050 (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 14 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 APR 2003 by KelleyW0>; APPROVED <19 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC TEXTILE NEGOTIATIONS
TAGS: EFIN, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006